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The Cause of War and Role of People by Karl Polanyi: A Change in Realm of International Relations after The Great Transformation

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Abstract. The enormous impacts of WWI, WWII, and the Great Depression made Karl Polanyi write a famous book, *The Great Transformation (TGT)*. In it, he wrote about the 'collapse of nineteenth-century civilisation', and clarified the causes and development of civilisation from the perspective of international relations and economic history. 'Nineteenth-century civilisation' is located in the centre of his international relations theory, and his 'institutional system' comprises of four elements: 1) a self-regulating market, 2) balance-of-power, 3) the international gold standard, 4) and the liberal state. In addition economic thought, Polanyi continued developing his international relations theory in Britain as evidenced by examination of a fresh record, a short booklet issued by the Worker's Educational Association in the 1940s just after the publication of *TGT*. First, Polanyi emphasises the political and geographic causes of war instead of economic causes. *TGT* explains war arises from financial problems, especially the abandonment of the international gold standard system. On the other hand, 'power vacuum' is stressed as the origin of war in the booklet. While his civilisation theory presumes the political expansion of each country, the power vacuum theory does not make this supposition. This implies a change in his view to an unwanted war arising from a breakdown in the balance of power. In addition, he described diplomatic alliances as a method to prevent wars. To prevent war, Polanyi insists that people need to be engaged in civil society. This explains his belief that democracy achieved by national integrity is sovereign in our society. Informed citizens can consider government and other authorities imperfect without repercussion and still work towards national unity. Following this logic, socialism is neither centralised nor repressive, but is composed by citizens as a liberal institution.

Keywords. Karl Polanyi, Workers Education Association, Economy and War, Civil Society.

JEL. B24, B32, B52.

1. Introduction

Two times world wars in the previous century have made an enormous impact on every field, triggering the development of economics at full swing. Some ideas that intended to overcome the old theory and explain the shock emerged at this time; for instance, view of Macroeconomics by Keynes and new thoughts by Hayek. Karl Polanyi (1886-1964) mentioned in this research also indicated the peculiar perspective with regard to present and future world.

The extensive impact made Polanyi write his main and first work in 1944, *The Great Transformation* (hereafter *TGT*), which inquires into the cause of World War and the Great Depression. The inquiry from comprehensive view such as a transformation of civilization begins with launching as the phrase 'nineteenth-century civilization has collapsed' (Polanyi, 1944). According to him, the

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nineteenth-century civilization fated the collapse expressed by twentieth century's two times world wars and the Great Depression. Thereof, he clarifies the cause of the process of development and the breakdown with the analysis of views of the international relations and the economic history.

His view of economic history has been discussed with vivaciousness in previous studies, while researchers have merely focused on the theory of international relations yet. He acquired fame as an anthropologist because of discussions on his anthropological studies included in his historical view of economy in a broad sense interest them. Moreover, he stressed and wrote anthropological analysis after *TGT*; for instance, *Trade and Markets in the Early Empires* (1957), *Dahomey and Slave Trade* (1966), *Primitive, Archaic, and Modern Economics* (1968), and *Livelihood of Man* (1977)ⁱ. As all of these discussed about the anthropology, he enhanced the reputation as an Anthropologist; however, these works honestly did not imply that his interest shifted from modern social-economic issues (Pearson, 1977)ⁱⁱ. The turn is just surface and pretended. Indeed, although the anthropological works brightened, the inappropriate estimation has become weaker and weaker today with revealing his life and idea; in other words, more researchers consider Polanyi as a social scientist. Then, how was his theory of international relations formed?

Polanyi's theory of international relations was hardly mentioned, in spite of the shift of valuation on him, honour as a social scientist. Some research has already demonstrated his intellectual origins in relation to philosophical, historical, and anthropological aspects. Aristotle, Hegel, Owen, Marxⁱⁱⁱ, Weber, and Tönnies formatted Polanyi's philosophical and historical idea, and anthropological elements from Thurnwald, Malinowski, and Durkheim added (Stanfield, 1986; Dale, 2010; 2014; Polanyi-Levitt, 2014). Polanyi obviously appreciated R. Owen's view of society and Aristotle's discovery of economy by repeated references in *TGT*^{iv}, especially he thematised the latter in 1957's paper. In brief, the inquiry into Polanyi's intellectual origins somewhat leanings to social economic history and anthropology.

In addition, some researchers considered *TGT* as the climax of Polanyi's modern social-economic theory and international relations; however, this is not correct. Indeed, as much as Polanyi gave himself up to anthropological issues, to tell the truth, *TGT* is not the climax. In particular, his theory of war was clearly developing after *TGT*.

The aim of this research is to clarify the formation and change of Polanyi's social political economic thought by using the records written in his British era, which has not been a focal issue so far. Two remarkable points on political issues that connect to the economic problems can be delivered. Not only his intellectual consistency toward contemporary social issues, but also the progress and the development of a view of political economy with relation to his international relations will be revealed.

The contents of the research are below. The next section overlooks Polanyi's main work, *The Great Transformation*. The third section provides an outline of the records in Britain. The following two sections will analyse these: the fourth section will discuss Polanyi's treatment of the causes of war: the fifth section discusses the role of citizen Polanyi hoped for in the 20th century when war occurs frequently. After that, in the sixth section, these theories will be compared with *TGT*'s theory. The final is conclusion.

2. Polanyi's theory in *TGT*

This section will indicate Polanyi's theory in *TGT*, especially focusing upon the idea of 'nineteenth-century civilization' overlooked in previous studies. The idea strongly clarifies his interest in the international relations continuing to U.S. period from Austrian era including all of his publication.

Four institutional systems performing in political/economical and national/international realm compose the nineteenth-century civilization; namely, 1) the balance-of-power in international politics, 2) the international gold standard in

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international economy, 3) the self-regulation market in national economy, and 4) liberal states in national politics. The third factor, the self-regulating market, is the core and the fount of other elements:

‘It was this innovation which gave rise to a specific civilization. The gold standard was merely an attempt to extend the domestic markets system to the international field; the balance-of-power system was a super structure erected upon and, partly, worked through the gold standard; the liberal state was itself a creation of the self-regulation market. The key to the institutional system of the nineteenth century lay in the laws governing market economy.’ (Polanyi, 1944, p.3)

Focusing upon the self-regulating market, Polanyi analyzes the market society dominating the contemporary civilization based upon the economic logic. The market society differs from others with which human has faced because it rooted in nothing but the human motivation of gain. Of course, the gain encouraged the economy in any societies; however, as regulated by a community the gain naturally constitutes nothing more than a part of the motivation of economy. Modern times produced the strange market society composed by self-regulating market deciding automatically the price and quantity of commodities.

Polanyi begins the discussion from the 18th century in Britain since he found the origin of the self-regulation market in it, and says ‘[i]n order to comprehend German fascism, we must revert to Ricardian England’ (Polanyi, 1944, p.32). To clarify the cause of twentieth-century’s wars through the economic issues, he investigates 200years after the industrial revolution. The market based upon human gain formed a society, in his words, society embedded in an economy. In his view, the relationship is naturally converted; economy must be embedded in society; it equals the market with regulation by society.

Comparing the market society, Polanyi saw the economy in the archaic society where the economy was embedded and made a good relationship. The archaic economy shows non-exchange styles; like reciprocity, redistribution, and householding. Reciprocity is ‘give and take’ with a particular partner, and has the feature of ‘duality’. The give and take can be at differing time; moreover, the moving goods need not equal value. An obligation or requital motivated it. Redistribution is the form that firstly goods are collected to a specific place, and secondly distributed to each person, like a tax. It needs the pattern of ‘centricity’. A power or a status in a society need for the redistribution; in other words, social relation exists before economy. Householding is producing and consume in the family for oneself, and it is so small size. The pattern of the economy is closed group, then it differs from market economy expands bigger and bigger. People did not aim to increase own gain but reinforced the social connection by such there economies^v.

In addition styles of economy, the very big different between these two societies is the range of idea of the commodity which the market can deal with. Labour, land and money are not real commodities, and Polanyi named them as ‘commodity fiction’ because in his words the commodity is the goods made for sale. Labour did not produce for sale, but is another name of people; in addition, land and money are also not for sale, each is called as nature and purchasing power. Commodity fiction created the self-regulating market within contradiction, therefore, some power and action which intend to regulate the market appeared as forming social policies, that is ‘double movement’.

Double movement that means the market expansion and social regulating movement exists in the core of Polanyi’s theory so far. His historical view grasps the principle in 19th century: on the one hand, free trade, on the other hand, labour law, land protective law, and banknotes. The counter movement appeared to prevent fictional commodity from just a goods in the free market. Many researches shows relation between global capitalism and human as labour from this double movement. (Block & Somers, 2014; Joerges & Falke, 2011) Stiglitz (2001) also said the defect of self-regulating market from Polanyi’s view. In other words, we cannot make a policy and institution depend upon only the logic in the market; that

is, political social factor have to be considered. We will clarify how Polanyi dealt with international politics.

3. An Exile in Britain and Workers' Education

The record we focus on is a pamphlet issued by the Workers Education Association (WEA)^{vi}, British Trade Union. The title of the pamphlet is *Citizen and Foreign Policy* (hear after *CFP*), issued in 1947^{vii}. Though some researchers knew of the existence of this pamphlet, as far as I know^{viii}, it did not become the subject of analysis; hence, it is a new document with a practical meaning. Trade Union Congress (TCU) Library, in London Metropolitan University, has this resource. The record would be a text for the WEA classes which Polanyi offered in 1920s and 1930s in mainly Sussex and Kent^{ix}. He was asked for teaching on economic history of England in spite of an expert of law and justice; then, he studied hard for the preparation. (Polanyi-Levitt & Mendell, 1987, p.29) The subjects of classes, however, did relate to Politics, Philosophy, and International Relations rather than the economic history; for instance, 'British Policy in Relation to Europe', 'Cages in U.S.A.', or 'Philosophy and Economics of Fascism'^x. *TGT*'s chief columns have already formulated: the relationship between the present international relations continued from journalist period and the economic history added at that time. Moreover, the interest on fascism as danger to human and civilization has also appeared.

This record will tell us Polanyi's idea behind *TGT*, because he published the book in 1944. Thanks to be famous as *TGT*, Colombia University invited him as an affiliate professor, and he heavily researched on anthropological studies; then, the record can shed light on his interest immediately before his surface 'shift'. *CFP* published 1947 after his move to U.S. could be considered the climax of his thought in British days without effects from anthropology and the last book on modern society. Therefore, by analysing this record with regard to the international relations, his two eras such as Britain and the US can be glued together, that is, the relationship between *TGT* as research on economic history and the Colombian era as anthropology becomes clear.

Polanyi participated in WWI as soldier after reception of degree in Kolozsvár University (today's Cluj-Napoca in Romania), after that, went to Vinnie, and work as a vice chief editor of *Der Österreichisch Volkswirt (Austrian Economist)*. He studied and grasp deeply on international politics especially Europe, write some papers as journalism. After that he moved to Britain in the 1920 and '30s, and taught in WEA. This move was exile. He went to Britain from Austria in 1933 with Kari, his daughter, because Hitler came into power and the political fear of Fascism was increasing. This is the first time he faced directly fascism and social exclusion. He has sometimes experienced effects of fascism in his life, whenever it appeared his criticism to fascism become stronger. One of motivations that he wrote *TGT* was inquiry into the cause of appearance of fascism. Some years later, from 1936, he began to work as a lecturer during the 'Week-end School' or 'One-day School' in the WEA.^{xi} Week-end School lectures were held (as the name suggests) at the weekend and were completed in two or three days. One-day School, of course, finished the same day. These classes had no regular room or buildings and were convened in various areas; then, it doubled as an advertisement. He handled Tutorial Class from the second year, teaching until 1948. He taught mainly European history and political issues of the day. As Stanfield (1986) points out, historical study at this time became a big opportunity to write *TGT*.

The record is No.16 in the series of 'Topics for Discussion'. For each title in the series, see the appendix; but, some of pamphlet did not remain. The series could have been text for class, and these have, as the name suggests, a 'Question for discussion' in each chapter; then, the record stresses not so much writer's opinion as the actual condition of the world. For such occasions, in contrast to Polanyi's ordinary works, his idea does not stand out. He refers to give people a chance to consider it.

In this way, the record condenses his thought while in Britain because it was drawn up just before his retirement from the WEA. He writes it looking for work for the role as 'citizen'. For him, appropriate foreign policy and citizenship come from that. The discussion on foreign policy after exile for Hitler power is so important in order to explain the formation of his thought.

4. A Cause of War and Foreign Policy

In this section, Polanyi's theory of war and foreign policy, shown in the new document, is introduced. He recognises a war as 'unwanted'; that is, the cause of war is neither an invasion of state nor expansionism. When he explains the cause of the development of war, he focuses upon the complexity of human society, discarding unilateralism that sees the world as the sum of the behaviour of each nation. Let's identify his foreign policy, that is, the premise or development base of 'unwanted war' before analysing his theory of war.

Polanyi divides foreign policy into two types: pre-WWII and post-WWII. Until WWII, foreign policy for him was the guideline that showed how each country invaded others. It means, of course, not only political expansion of territory, but also the establishment of a superior position in the international economy. In *TGT*, a world such as that pre-WWII is understood as the spread of imperialism. Each nation obeys the logic of the balance of power system within a political dimension, such as unilateralism and, ultimately, aspires to economic national interest.

On the other hand, after WWII, Polanyi thinks that the new diplomatic interest that is the avoidance of war is born ironically from the experience of huge demolition, the atomic bomb. He acclaims the revolutionary new aim while conceding the indispensability of high 'cost' (but makes no mention of Hiroshima and Nagasaki). Then, he critiques Bertrand Russell's theory, 'war as an institution', because it does not fit today (then, 1947) when people can see the goal is to avoid war (Polanyi 1947, p.6). Polanyi does not comply with the idea; the ultimate cause of war is about human behaviour, and war is unavoidable as long as each nation has sovereign power.

Wars happen unavoidably under 'war as an institution' because of the existence of humans and nations. Russel thinks the only way to avoid it is the creation of a world federation, but that is unrealistic; then, he insists on an alliance as a realistic compromise (Russel, 1916). As we will see later, Polanyi criticises Russel's war theory, but shares the method of solution, that is, alliance. Reference to Russel by Polanyi is shown in 1958; in the text, Polanyi points to the change of Russel's opinion, such as Russel defending a preventive war. Polanyi was influenced by Russel's theory in both international relations and war theory; of course, it was the negative effect as critique.

Foreign policy was shifted greatly by the atomic bomb; however, it did not mean that war died. Polanyi thought that the aim of avoiding war made a new idea, that of 'unwanted war'. He adduced 'power vacuum' theory as an example of what makes unwanted war, and showed 'buffer state' theory as the solution. He said:

"An unwanted war between country A and B may, for instance, be caused by the disappearance of organized power in country C which geographically lies between A and B" (Polanyi, 1947, pp.7-8).

The state of extinction of C is the power vacuum. That is, the power vacuum is an antagonisation of A and B because of the fadeout of C, touching A and B. It is posed by a confusion of boundary (Figure 1). This theory was insisted on by Voegelin (1941), so it was the newest at that time^{xiii}. To avoid unwanted war created by this process, Polanyi affects 'buffer state theory'. According to this theory, country A and B cooperate to invest in C. C develops, so peace can be kept for all. This buffer state theory was valued at that time, so Polanyi talked of it in the WEA lecture and others. Like this, he made people think of complex causes of war and a way to peace by using the original theory that is a mixture of the old orthodox and the new.

Polanyi's theory of war shifts on avoidance after WWII. His idea that war

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happens by the invasion of someone or some nations changed and he considers war unwanted after WWII. He divides war into two groups using the terms 'unavoidable' and 'unwanted', as in the following sentence:

"Had the British public, in 1935, better understood the term of the Covenant of the League, maybe the last (WWII) war could have been *avoided*."

(Polanyi, 1947, p.3, Stress and brackets by referrer)

'Unwanted war' endeavours to prevent war more positively than 'unavoidable'. The meaning of the term 'unwanted' is not that a war before WWII was wanted, but that it was initiated by someone. The term implies that all the world behaves to prevent war before it happens, taking WWII as an opportunity. This was a great transformation in the political dimension by Polanyi. Then, the world prevents war without the acceptance of the recurrent 'war as institution'; that is to say, it is to overcome Russel. Polanyi thought that peacemaking shifted to all nations and all people in the world from the League of Nations; moreover, the world changed into a new community that demanded universal values, such as peace. Ironically, it was brought by havoc.

5. Role of People as Good Citizens

In a society where all people call for peace, action toward that aim is expected by nations and people. Polanyi demands becoming an 'informed citizen' who has a high sense of the people in a democratic system because he supposes a nation's foreign policy depends on citizens. In his perspective, foreign policy cannot be made in defiance of public willingness, so people can avoid war by continuing to declare opinions. He said "some of it (the cause of WWII) also [lies] with the public which had not shown sufficient interest in foreign affairs" (Polanyi, 1947, p.4), and he indicated the cause of world war is an absence of human interest.

For Polanyi, peace is an object that is aspired to by men and women. Then, the 'Hundred Years' Peace (1815-1914)', as it was called, is only an absence of a major war, and since it includes a small conflict, it is not real peace (Polanyi, 1947, p.4). International peace, for him, is achieved by foreign policy that public opinion influences and that needs citizens who fulfill real peace.

What is an informed citizen, as Polanyi describes? Answering this question proves his concrete suggestion or designs to make peace in the world after 1945. Firstly, in the record, he asks for sufficient interest by the public. It is the most basic factor to make peace. In this context, the term public means almost international. He recommends reading newspapers with cross-checks to ferment international interest and to judge politics rightly. He adds comment that people should not swallow the information blindly and not label information that is not there worthless; moreover, he recommends people have to make a good balance (Polanyi, 1947, p.18). This suggestion is clearly affected by the fact that he was a journalist and his intent that the democratic process must be built by sloughing only elite politics. It may be a reflection that fascism makes war with the end of democracy. Converting workers' class in vast volume into informed citizens makes it possible to continue democracy. It is just the model of workers' education.

Polanyi regards an alliance based on public opinion as the way to prevent war. From his perspective, informed citizens have potential, unlike the case of the League of Nations. An alliance not only means each government's signature, but also ferments public sense, because a form of coalition means a kind of membership. A coalition integrates two groups into one community; therefore, for Polanyi, an alliance creates a new community that shares in the public interest. An alliance expands cohesion of the nation towards the world and it also means the establishment of membership that shares the universal value of peace. As above, his theory of international relations leads finally to the idea of civic society.^{xiii}

6. Comparison with *TGT*

From the above discussion, four points are extracted with regard to Polanyi's war theory. Firstly, his evaluation of the 'Hundred Years' Peace' turns a complete

about-face. While he evaluates peace highly, with various reservations in *TGT*, he says it is just fake peace in *CFP* and the evaluation nosedives.

Next, the cause of war he assumes changes clearly. In *TGT*, the ultimate cause of war is the collapse of the international gold standard system and political elements are outside consideration. War happens by breaking up the international gold standard through international financiers (merchant bankers); that is, the break makes them create no monetary credit, and no credit can be supplied to each country, therefore, the peace made by international trade stops. This is a peace collapsing mechanism by Polanyi. In spite of the insight of 'double movement' that insists economic expansion of each country creates simultaneously the counter movement from society in *TGT*, the cause of war is in entirely political equilibrium (a kind of balance of power system) in *CFP*. Considering description of the geographical cause of war (such as a power vacuum), which is outside his thinking, *TGT* is not the corpus of his theory. Therefore, his final theory on social economy is not shown in *TGT*.

Thirdly, Polanyi has consistently high hopes for an alliance to prevent war. There is continuing support for an alliance because he appreciates Wilson so highly, but the reference is only to the existence of an alliance. However, in *CFP*, the idea that each alliance ultimately prevents war is expressed. Furthermore, he points out a probability/danger of abandoning an alliance by partners and the need for an open alliance that citizens can recognise (for as long as possible). The forming of a confederacy means the creation of a community from two groups, so the problem of who is a member is born from an alliance. Unification of an alliance and community is not seen in *TGT*; rather, community theory is entirely-focused on the relationship with archaic society. He starts the discussion from an alliance for the achievement of peace and shifts it to the community for mediation upon publicity in *CFP*; therefore, his alliance develops into issues of how we can make a super-national community.

Fourthly, relating to the above point, Polanyi's war theory suggests the relationship between 'nineteenth-century civilization', which is his perspective of the contemporary world, and 'complex society', which is the next society. The former is his own interpretation of imperialism at that time and has four elements: the self-regulating market, the international gold standard system, the balance of power system, and the liberal state. Each factor functioned in the economic/political and domestic/international realm and maintained the world (see Figure 2). On the other hand, the latter is an ideal future vision appearing after the former and was insisted on after realisation in *TGT*. 'Complex society' reaches international social connection and will be able to solve the danger to human life brought by economy; therefore, starvation and poverty will not become a problem for individuals and human welfare will grow rife. The fruition of an embedded market that controls the economy by society differs from that of 'nineteenth-century civilization'.

'Complex society', indeed, may be too idealistic and unrealistic; moreover, Polanyi demonstrates neither the elements of the new society (unlike the case of 'nineteenth-century civilization'), nor how it will change the position of the self-regulating market in society. His idea of 'complex society' is obscure. However, considering the new aim of society, abatement of war, as insisted in *CFP*, it can be thought to lead to 'complex society'. Prevention of war is a transfiguration of the liberal state, because liberal state meant that each country expands based upon the idea of a self-regulating market in 'nineteenth-century civilization'. By intending to prevent war, 'nineteenth-century civilization' changes into a new dimension. In 'complex society' domestic economy becomes embedded and the element that shoulders domestic politics changes into the informed citizen from the liberal state. An alliance for the prevention of war is a factor in international politics. Not built on the economy where a market is dominated by nothing but price and quantity, the formation of the international public (or global commons in today's words) is, for him, ideal international relations (Figure 3).

7. Conclusion

The collapse of ‘nineteenth-century civilization’ by two world wars and the threat of the atomic bomb created new nations that intended to prevent war. Namely, the liberal stateturns in the position. Alliance as a way to reach the new aim forms a super-national community or public zone. This international community may be close to Polanyi’s ‘complex society’ as a great society. A mixture of an idea of ‘complex society’ and a realistic alliance as institution produces international/global connection and this is his international relations after *TGT*. In conclusion, the role of citizens is the formation of public opinion that makes a nation prevent war; that is, being the ‘informed citizen’ for the world; therefore, *TGT* is not the final form of his social economic theory and international relations.

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Notes

ⁱ *Trade and Markets in the Early Empires* (1957) is collected papers edited by Polanyi and Pearson who is his student. *Dahomey and Slave Trade* (1966), *Primitive, Archaic, and Modern Economics* (1968), and *Livelihood of Man* (1977) were published after his death. Then, *TGT* is the only comprehensive book he wrote on modern society.

ⁱⁱ Understandings to Polanyi as an anthropologist spread by P. Drucker’s writings. (Drucker, 1979) However, it was misreading.

ⁱⁱⁱ Polanyi has been really Marxist but turned away at 1905 and 1908 (Dale, 2014)

^{iv} Polanyi’s understanding about Aristotle and Owen focuses upon social spaces beyond industrial society. ‘One man alone perceived the meaning of the ordeal, perhaps because amongst the leading spirits of the age he alone possessed intimate practical knowledge of industry and was also open to inner vision. No thinker ever advanced farther than Robert Owen did into the realm of industrial society’ (Polanyi 1944, pp127).

^v Polanyi deleted housholding in patterns of economy in latter works.

^{vi} For detail about the history of WEA, see Mumby (2003).

^{vii} Accurate date of publications was not clear in the list of London Metropolitan University; however, the date was identified by referring to records held by the United Nations Educational, Scientific and Cultural Organization etc.

^{viii} Dale (2010) put this record in a list of references, but did not discuss it.

^{ix} Though, according to Polanyi-Levitt & Mendell (1987), the venues of classes were mostly in Kent and Sussex, my researches with annual report of WEA cannot find the evidences.

^x Annual Report does not indicate the title of the classes, but the subject. More details such as data, place, and number of students are also included in the report.

^{xi} Bohannon, & Dalton, (1965) says Polanyi started to work from 1937; however, the author found an earlier class. ‘British Policy in Relation to Europe’ was held on 4-5 June 1936 in London.

^{xii} Power Vacuum theory shown in Voegelin (1941) did not use abstract nations such as A, B, and C, but concrete nations and areas, such as Russia, Germany, Britain, and Scandinavia. In addition, it stressed the continued existence of weak nations surrounded by big nations and it did not focus attention on war happening by disappearing power.

^{xiii} Although Baum (1996) discusses Polanyi’s civic society, it is not led from international relations, but from Christian socialism; for that reason, it differs from my approach.

Appendix

Catalogue of Topics for Discussion

1. People and Politics
(or How to run Discussion Groups)
2. What about Race?
3. What Kind of School
4. Law and Justice
5. Can We Conquer Unemployment?
6. The Films
7. Houses and Towns to Live In?
8. How can we Keep the Peace?
9. Shops, Retail Trade and the Consumer
10. The Future of the Family by Ronald M Grant
11. Youth and Industry by R S Swift
12. Philosophy and Life by J M Cameron
13. Reading for Pleasure by W E Lloyd
14. Race, Reason and Democracy by W E Styler
15. The United Nations and World Peace by Harold F Bing
16. The Citizen and Foreign Policy by Karl Polanyi
17. Ourselves and the Cinema by S B Carter

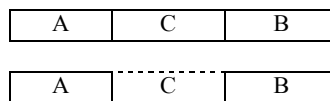


Figure 1. *Power Vacuum*

	Domestic	International
Economy	Self-regulating Market	International Gold Standard
Politics	Liberal State	Balance of Power

Figure 2. *Institutional Systems of Nineteenth-century Civilization*

	Domestic	International
Economy	Embedded Market	(Floating Exchange Rate)
Politics	Informed Citizen	Alliance

Figure 3. *Institutional Systems of Complex Society*

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